

FINAL BOARD ENFORCEMENT ACTIONS
Fiscal Year 2009 Beginning July 1, 2008 (Updated 12/2/08)

Benedict, Dianne M.—LR#11053 (Complaints 2645/2645): Level II Violations. 9/3/08 NONDISCIPLINARY letter of remedial action regarding two appraisals. The Board found that the appraiser failed to properly adjust for new amenities of the comparable sales, failed to properly adjust for a swimming pool, failed to note the recent sale of a comparable, failed to support her conclusion that the market was stable, failed to properly adjust for superior external influence. Remedial Action: must complete education that cannot be used toward continuing education within six months: minimum 7-hr. sales comparison approach, minimum 7-hr. basic appraisal. USPAP Violations: SR1-1(a); SR1-1(c); SR1-3(a)

Brennan, William L.—CR#21663 (Complaint 2640): Level II Violations. 8/11/08 NONDISCIPLINARY letter of remedial action regarding one appraisal. The Board found that the characterization of and the appraisal of the subject property as a single-family detached residence rather than a manufactured home was incorrect and that the home, despite any additions, was a manufactured home. Remedial Action: must complete education that cannot be used toward continuing education within six months: minimum 7-hr. manufactured home. USPAP Violations: SR1-1(a); SR1-1(b); SR1-2(h); SR2-1(a) and SR2-1(b). **(Complaints 2689/2690/2691/2692):** Level II Violations. 11/3/08 due diligence consent letter regarding four appraisals. The Board found that the appraiser appraised the incorrect unit that was a one bedroom/one bath rather than a two bedroom/two bath. USPAP Violations: Ethics Rule—Conduct; SR1-1(b); SR1-2(e)(i); SR2-2(b)(iii)

Capps, Larry W.—CR#21501 (Complaint 2623): Level II Violations. 7/14/08 NONDISCIPLINARY letter of remedial action regarding one appraisal. The Board found that the software was used that was licensed to someone else. Remedial Action: Must complete education that cannot be used toward continuing education within six months: minimum 7-hr. ethics; and must provide proof of purchasing own software within 30 days. USPAP Violations: Ethics Rule—Conduct

Caraballo, Michelle T.—CR#21448 (Complaint 2421): Level III Violations. 7/31/08 Consent Agreement and Order regarding one appraisal. The Board found that the appraisal report stated incorrect homeowner's association fees; appraisal report stated incorrect zoning; site dimensions and irregular shape not provided in appraisal report; plat not readily available in appraisal report; incomplete workfile concerning inspection; no discussion in appraisal report concerning difference between assessed square footage and square footage shown in appraisal report; no commentary concerning exposure or marketing times in appraisal report; discrepancy in appraisal report regarding number of levels, fireplace, garage, room count, square footage and style of housing; standard narrative sections in appraisal report do not address unusual adjustments or lack of adjustments; misstatement in appraisal report that all types of financing are available; appraisal report failed to discuss or adjust for gated community; incorrect photograph included in appraisal report; findings tend to indicate assignment result may have been influenced by lenders. Discipline: 6-month probation under supervision of Board-approved mentor; must complete education that can be used for continuing education within six months: 15-hr. residential report writing or 15-hr. sales comparison, minimum 6-hr. mortgage fraud; monthly mentor reports and appraisers logs must be submitted to Board. USPAP Violations: SR1-1(b); SR1-1(c); SR2-1(a); SR2-1(b); SR2-2(a); SR2-2(b); SR2-2(c); Ethics Rule-Conduct and Ethics Rule-Competency

Carpenter, Renee A.—CR#20475 (Complaint 2729): Level I Violations. 11/3/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the appraiser failed to note and analyze the prior sale information regarding the subject. USPAP Violations: SR1-5(b)

DeVries, Paul F.—CR#20810 (Complaint 2470): Level III Violations. 10/30/08 Consent Agreement and Order regarding one appraisal. The Board found that the appraisal report incorrectly stated the subject's sales history; the appraiser did not analyze the subject's contract accurately; the sales comparison approach did not include appropriate adjustments; adjustments for age/condition were understated; land value in cost approach significantly higher than most recent land sale; comparable sale adjustment for superior age is positive instead of negative; comparable sale reported in gated community when it is not; discrepancy in recorded price of comparable sale between workfile and appraisal report not disclosed; appraiser did not confirm comparable sales with a party to transaction and only confirmed comparable sales through public records and MLS. Discipline: 6-month probation

under supervision of Board-approved mentor; must complete education that cannot be used for continuing education within six months: 15-hr. USPAP (with test); minimum 6-hr. mortgage fraud; monthly mentor reports and appraisers logs must be submitted to Board. USPAP Violations: SR 1-1(a); SR 1-1(b); SR 1-5(a); SR2-1(a); Ethics Rule-Conduct

Flores, Jared R.—LR#11516 (Complaint 2579): Level I Violations. 9/26/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the appraiser stated the subject property was gas when it was electric, failed to mention that there was a swamp cooler and did not note the extended driveway that allows parking for three cars. USPAP Violations: SR1-1(c)

Flores, Nicki A.—LR#11104 (Complaint 2686): Level II Violations. 10/14/08 NONDISCIPLINARY letter of remedial action regarding one appraisal. The Board found that the selection of comparable sales was outside the defined market and the selection of the specific comparables was poor; and that the appraiser failed to discuss or disclose the apparent superadequacy of the subject. Remedial Action: Must complete education that cannot be used toward continuing education within six months: minimum 7-hr. scope of work; minimum 7-hr. sales comparison approach. USPAP Violations: SR 1-1(a); SR 1-2(e)(i); SR 1-4(a); SR 2-1(a) and Scope of Work Rule

Geisler, Christina M.—CR#21325 (Complaint 2677): Level II Violations. 9/2/08 NONDISCIPLINARY letter of remedial action regarding one appraisal. The Board found that the appraiser's conclusion that the market trends are "stable" and "in balance" was not supported and the choice of comparable sales were not appropriate. Remedial Action: Must complete education that cannot be used toward continuing education within six months: minimum 7-hr. basic appraisal with focus on market trends; minimum 7-hr. FHA. USPAP Violations: SR 1-1 (c); SR 1-3 (a); SR 1-4 (a); SR 2-1 (a) and Ethics Rule---Conduct

Hanke, Michelle L.—LR10863 (Complaints 2433/2446/2447): Level IV Violations. 9/24/08 Consent Agreement and Order of Discipline regarding three appraisals. The Board found that the appraiser in noncompliance with the original Consent Agreement and Order of Discipline. Discipline: Suspension until complies with original Consent Agreement and Order of Discipline. Statutory Violations: A.R.S. 32-3631(A)(8)

Holm, Kurt D.—CG #31254 (Complaint 2622): 7/7/08 Consent Agreement for Voluntary Surrender and Order Deeming Certificate Surrendered regarding one appraisal. The Board found that it was in the best interest of the public to accept the immediate voluntary surrender of the appraiser certificate rather than pursue further investigation of the pending complaint.

Huffman, Mark L.—CR #21516 (Complaint 2571): Level I Violations. 10/14/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the appraiser failed to indicate proper credit in the appraisal for significant contribution by a second appraiser in the certification of the report; and that the appraiser gathered information for the workfile after the complaint was filed. USPAP Violations: Ethics Rule—Recordkeeping; Scope of Work Rule

Huscroft, Cynthia L.—LR #10606 (Complaint 2550): Level II Violations. 9/2/08 NONDISCIPLINARY letter of remedial action regarding one appraisal. The Board found that the conclusion that the marketing trends were "stable" and "in balance" is not supported and the choice of comparable sales was not appropriate; the appraisal report shows the incorrect zoning and the stated effective age is somewhat misleading as the types of improvements listed would not necessarily reduce the effective age significantly; that prior sales for the subject property were not analyzed and prior sales of some of the comparables were not reported; that the dwelling's cost per square foot cannot be supported for any of the quality ratings in Marshall & Swift Residential Cost Handbook and the stated physical depreciation of 20% of the Total Estimated Cost New is extremely low for a 47 year old home in "Average" condition; and that there is no mention in the report of how any adjustments in the Sales Comparison Approach were derived and the workfile has no supporting data for conclusions made in the report. Remedial Action: must complete education that cannot be used toward continuing education within six months: minimum 7-hr. scope of work, minimum 7-hr. sales comparison approach. USPAP Violations: SR1-2(e); SR1-4(b)(ii); SR1-4(b)(iii); SR1-5 and Scope of Work Rule (for credible assignment results)

Jones, Edward C.—CG#30480 (Complaint 2567): Level II Violations. 11/3/08 NONDISCIPLINARY letter of remedial action regarding one appraisal. The Board found that the appraiser failed to note the subject's previous sale; the defined neighborhood does not include all of the subject's aged restricted PUD and it has incorrect price and age ranges; and the information in the cost approach cannot be supported. Remedial Action: must complete education that cannot be used toward continuing education within six months: minimum 7-hr. cost approach. USPAP Violations: SR1-1(c); SR1-2(a); SR2-1(a)

Jones, Owen J.—CG #30458 (Complaints 2588 and 2589): Level I Violations. 7/14/08 NONDISCIPLINARY letter of concern regarding mentorship of two appraisals. The Board found that the review of the appraisals' development and reporting violate USPAP in that the comparable sales used were all from the same builder/seller. USPAP Violations: Scope of Work Rule; SR 1-2 (e); SR 1-3 (a) and SR 2-1(a)

Kaegi, Mark J.—CR #21613 (Complaint 2633): Level I Violations. 7/14/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the selection of comparable sale #2 was inappropriate. USPAP Violations: SR 1-1(b)

Kenski, Kevin D.—CR #21183 (Complaint 2687): Level I Violations. 10/14/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the appraiser failed to recognize a comparable sale was a relocation purchase rather than an arms length transaction. USPAP Violations: SR 1-4(b)

Kittleman, Thomas M.—CR #20662 (Complaint 2434): Level IV Violations. 7/16/08 Consent Agreement and Order of Discipline regarding one appraisal. The Board found that the appraisal request was not in writing and the sales price was obtained by telephone; the appraiser did not have a copy of the purchase contract at time of inspection; an appraisal report was issued without receipt of the purchase contract and a copy of the appraisal report was not in the workfile; a subsequent appraisal report was issued that refers to a purchase contract with a date after the date of the subsequent appraisal report; a third appraisal report was issued upon receipt of the purchase contract; the appraisal report stated the property was in average condition and did not address that remodeling was not complete on the effective date of the appraisal resulting in an overestimate of the "as is" value; the appraisal report failed to report the seller's contribution toward buyer's closing costs; appraisal report failed to adequately support the structural costs in the Cost Approach and cited outdated data source; comparable sale search based on sales price; overall residential market in subject's immediate area not researched; failure to use best comparable sales; failure to address all relevant physical characteristics of comparable sales; failure to support and grossly understated the value difference between comparable sales and subject leading to significant overestimate of subject's value; failure to address comparable sales located in gated community vs. subject's nongated area; failure to support and comparable sale acre+ size vs. subject's less than acre size; failure to address comparable sale's superior architect; failure to address comparable sale as a custom home; failure to address comparable sale's location outside of neighborhood boundaries with superior view; failure to inspect comparable sales from the street; failure to explain how the subject's value was reconciled to the adjusted range of comparable sales; numerous additional errors that affected the credibility of the appraisal report; supporting documentation for statements in the appraisal report were missing from the workfile; appraisal report was biased and misleading; errors of omission and commission lead to overestimate of value. Discipline: 12-month probation under supervision of Board-approved mentor; must complete a minimum of 24 appraisal reports; must complete education that cannot be used toward continuing education within six months: 7-hr. sales comparison approach, 7-hr. cost approach, minimum 6-hr. mortgage fraud; monthly mentor reports and appraiser logs must be submitted to Board. USPAP Violations: SR 1-1(a); SR 1-1(b); SR 1-1(c); SR 1-4(a); SR 1-5(a); SR 2-1(a); SR 2-1(b); SR 2-1(c); Ethics Rule-Conduct and Ethics Rule-Recordkeeping

Levi, Kandace L.—CR#11034 (Complaint 2555): Level III Violations. 10/9/08 Consent Agreement and Order regarding one appraisal. The Board found that the location map was incorrect; the sales grid was erroneous; two comparable sales had garages that were not noted and adjusted accordingly; appraiser did not discuss and analyze the subject property's sales history; appraiser did not disclose that the road to the subject was part asphalt and part gravel; appraisal did not provide adequate justification and explanation for choosing the comparables as the most

relevant sales. Discipline: Six-month probation under supervision of Board-approved mentor; must complete a minimum of 12 reports; must complete education that can be used toward continuing education within six months: 15 hours report writing for residential properties and 7 hours concerning manufactured homes; monthly mentor reports and appraiser logs must be submitted to Board. USPAP Violations: SR 1-1(a); SR1-1(b); SR1-1(c); SR 1-5(b); SR2-1(a)

Martin, Darrell R.—CR#20773 (Complaint 2712): Level I Violations. 10/14/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the appraiser failed to support the conclusion that the market trends from the neighborhood section was stable; appraiser gathered information for workfile after date of appraisal. USPAP Violations: SR 1-3(a) and Ethics Rule--Recordkeeping

Meahl, Brandon F.—CR#20548 (Complaint 2619): Level I Violations. 7/14/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the adjustment of comparables on a value per front foot basis appeared excessive given the value of the subject site in the Cost Approach. Additionally, there were errors in math/calculations. USPAP Violations: SR 1-1(a); SR 1-1 (c); SR 2-1 (a) and SR 2-1 (b)

Miller, Dana A.—CR#20414 (Complaints 2452/2457): Level III Violations. 11/21/08 Findings of Fact, Conclusions of Law, and Order of Probation regarding two appraisals. The Board found that respondent's appraisal review failed to explain why the sale price was \$600,000 higher than the price at which it had been listed for 9 months, failed to verify the condition of the improvements relative to the comparable sales, failed to discuss the impact on value of the subject's location on an arterial street, and failed to adequately explain or support the calculations of value in the comparable sales and the cost approaches; and that the respondent's appraisal failed to state as a hypothetical condition that the size of the site was 5 rather than nearly 8 acres, incorrectly stated the size of the house by include the basement, failed to consider the effect on value of at least a portion of the subject's site's location within a flood hazard area, failed to adequately explain or support the calculations of value in the comparable sales and the cost approaches, and failed to consider the effect of the unpaved access road in the sales comparison approach. Discipline: Six-month probation under supervision of Board-approved mentor; must complete minimum of 12 reports; must complete education that cannot be used toward continuing education within six months: 7-hr. cost approach, 7-hr. review appraisals, 6-hr. mortgage fraud, 15-hr. USPAP (with exam). USPAP Violations: SR 3-1(c), SR 2-1(f), SR 3-2(d), SR 1-1(a), SR 1-1(b), SR 1-1(c), SR 1-4(a), SR 1-4(b)(ii), SR 1-4(b)(iii), SR 2-1(a), SR 2-2(x), Ethics Rule-Conduct. Statutory Violation: A.R.S. § 32-3635(A), A.R.S. § 32-3635(B)

Moffett, William H.—CR#10415 (Complaints 2385/2386/2387/2388/2389/2390/2391): Level V Violations. 8/18/08 Consent Agreement and Order regarding seven appraisals. The Board found that other comparable sales data would possibly suggest a differing opinion of value; exposure time was not included; sales in immediate subdivision not considered and analyzed; stated in one place subject not currently or previously listed for sale in the past 12 months and stated elsewhere subject is selling for a specific amount; sales of subject occurring in past three year not analyzed; data in sales comparison approach not properly analyzed and reconciled; value was stated to be fee simple but was leased fee; appraisal reports are misleading; and as written, a reader would believe that appraiser was aiming for a conclusion of value. Discipline: Six-month suspension followed by six-month probation under supervision of Board-approved mentor; must complete a minimum of 24 reports; must complete education that cannot be used toward continuing education within six months: 30 hours live qualifying (with examination) basic appraisal; 6-hr. mortgage fraud; 6-hr. appraisal review; 3-hr. ethics; monthly mentor reports and appraiser logs must be submitted to Board. USPAP Violations: SR1-1(a); SR1-2(c)(i); SR1-2(c)(ii), SR1-2(c)(iii); SR1-2(c)(iv); SR1-4(a); SR1-5(a); SR1-5(b); SR1-6(a); SR2-1(a); SR1-2(b); SR2-2(b)(v); SR2-2(b)(ix); Statement 6 and Ethics Rule-Conduct

Mohr, Rosalie—LR#10477 Complaint 2575): Level V Violations. 11/14/08 Consent Agreement and Order accepting surrender of appraiser's license in lieu of further administrative proceedings

Morris, Timothy J.—LR#10884 (Complaint 2380): Level V Violations. 11/6/08 Consent Agreement and Order of Discipline regarding noncompliance with nondisciplinary letter of remedial action. The Board found that respondent failed to timely complete required remedial education pursuant to nondisciplinary letter of remedial action. Statutory Discipline: License suspended until respondent completes remedial education. Violations: A.R.S. 32-3631(A)(8)

Pattalochi, Leigh B.—CR#20055 (Complaint 2637): Level I Violations. 8/11/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that a number of typographical errors; specifically, the errors dealt with septic/sewer, gas/no gas; incorrect legal description; wrong county and no adjustment for the subject fireplace. USPAP Violations: SR1-1(c) and SR2-2(b)(iii)

Prince, Matthew S.—CR#21907 (Complaint 2558): Level I Violations. 11/3/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the workfile did not contain supporting data for the neighborhood market analysis or the site value; the appraiser incorrectly cited the source for the cost data; the cost approach was not properly supported; comparable sale #3 was erroneously reported as a doublewide rather than singlewide; the discrepancy between comparable sale #3's closing price and recorded price was not discussed; appraiser did not make time/market condition adjustments and did not adequately explain the reasoning for not making those adjustments. USPAP Violations: SR1-1(a); SR2-1(b); Ethics Rule—Recordkeeping

Reissner, Joel N.—CR#21468 (Complaint 2557): Level II Violations. 9/2/08 due diligence consent letter concerning one appraisal. The Board found that the appraiser failed to appropriately supervise his trainees by waiting in the car while the trainees conducted an interior inspection of the property and took photographs; the appraiser was misleading to the activities he actually performed by signing the appraisal report indicating that he conducted an inspection of the interior of the property when in fact he did not conduct such an inspection. Discipline: must complete education that cannot be used for continuing education within six months: minimum 15-hr. qualifying supervising appraiser coursework or minimum 15-hour qualifying USPAP. USPAP Violations: SR1-1(a); SR1-1(c); SR2-2(b)(vii) and SR 2-3

Robinson, Debbie M.—CR#21338 (Complaint 2593): Level II Violations. 5/27/08 due diligence consent letter concerning one appraisal. The Board found that the appraiser was unable to determine if subject property was a townhouse or a condominium, was unable to confirm comparable sales were townhouses or condominiums; failed to discuss that subject property was adjacent to a main traffic artery that may result in external obsolescence; noted that the market trends were stable and in balance when the market indicators showed the market declining and there was an oversupply. Discipline: must complete education that cannot be used for continuing education within six months: minimum 7-hr. market trends, minimum 7-hr. complex properties; minimum 7-hr. report writing; minimum 3-hr. ethics. USPAP Violations: SR1-1(a); 1-1(b); 1-2(e)(i); 1-2(e)(ii) and 2-2(b)

Rodriguez, Derek—LR#10987 (Complaint): Level II Violations. 10/14/08 NONDISCIPLINARY letter of remedial action concerning one appraisal. The Board found that the appraiser noted a quit claim deed as a recorded sale; the appraiser did not support “stable” and “in balance” market trends; and that the appraiser’s cost approach was not clear. Remedial Action: must complete education that cannot be used for continuing education within six months: minimum 7-hr. basic appraisal with focus on market trends and minimum 3-hr. sales comparison. USPAP Violations: SR 1-1(b); SR 1-3(a); SR2-2(b)

Santana, Michael—LR#11650 (Complaint 2378): 10/14/08 Order (amending 12/18/07 Consent Agreement and Order) concerning one appraisal. The Board found that appraiser failed to demonstrate improvement in the methodology and technique necessary for the development of his opinion of site value and denied Respondent's request to terminate probation. Discipline: must continue probation; must submit additional appraisals for Board audit after 60 days; must complete additional education that cannot be used for continuing education: minimum 7-hr. cost approach. Statutory Violations: A.R.S. § 32-3635

Stormo, Kisten L.—LR#11690 (Complaint 2486): Level III Violations. 8/25/08 Consent Agreement and Order concerning one appraisal. The Board found that the appraisal report or workfile did not explain the discrepancy between the client on the order form and the client listed in the appraisal report; land use in the appraisal report indicated 2-4 family or multifamily and there were not any in the defined neighborhood; the proximity of Luke Air Force Base and its impact on value or marketability are not discussed in the appraisal report; appraisal report included errors in comparable sales data; appraisal report did not included adequate sales comparison analysis; appraiser updated the report rather issuing a recertification of value; income approach was not analyzed in

reconciliation section of appraisal report; the workfile was incomplete and did not include sufficient Marshall & Swift information, sale verification information, supporting data for adjustments made; swimming pool not separately noted in appraisal report; appraisal report contained typographical errors; appraisal report contained no scope of work. Discipline: 12-month probation under supervision of Board-approved mentor; must complete a minimum of 24 reports; must complete education that cannot be used toward continuing education within six months: 7-hr. residential report writing, 7-hr. cost approach, 7-hr. scope of work; monthly mentor reports and appraisal logs must be submitted to Board. USPAP Violations: SR1-1(b); SR1-1(c); SR1-2(a); SR1-2(d); SR1-4(b)(ii); SR1-4(f); SR1-5(b); SR1-6(a); SR1-6(b); SR2-1(a); SR2-2(b)(i); SR2-2(b)(i); SR2-2(b)(vi); SR2-2(b)(viii); Ethics Rule-Record Keeping; Ethics Rule-Competency; Ethics Rule-Scope of Work

Tiffany-Loftus, Gayle A.—LR#11495 (Complaint 2642): Level II Violations. 11/12/08 NONDISCIPLINARY letter of remedial action concerning one appraisal. The Board found that the appraiser's conclusion that the market trends were "stable" and "in balance" is not supported; that the appraiser did not discuss the listing history of the subject property; that the appraiser noted an incorrect sale price for one of the comparables; and an adjustment was not justified. Remedial Action: must complete education that cannot be used for continuing education within six months: minimum 7-hr. basic appraisal to include market trends and neighborhood analysis and minimum 3-hr. ethics. USPAP Violations: SR 1-1(b); SR 1-1(c); SR 1-4(a); SR 1-5(a); Ethics Rule-Management

Warren, Danielle D.—CR#21334 (Complaint 2655): Level I Violations. 7/14/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that several typographical errors were made. USPAP Violations: SR 1-1(b); SR 1-1 (c); and Ethics Rule--Recordkeeping

Zormeier, Cheryl A.—CR#22016 (Complaint 2580): Level I Violations: 11/3/08 NONDISCIPLINARY letter of concern regarding one appraisal. The Board found that the workfile contained no specific market research to support the appraisal and the workfile contained no copy of the final appraisal; and the view adjustment and the living area adjustments for the comparable sales were unsupported. USPAP Violations: Ethics Rule—Recordkeeping; SR1-1(a); SR2-2(b)